

History about the primark international marketing essay



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PRIMARK is termed to be one of the ground breaking affordable retail outlet world wide. Primark retail store grounded its roots from DULBIN, IRELAND, in the year 1969. The founder of Primark ARTHUR RYAN has played a phenomenal role in uprising the company to attain profits with its reproduction of cat walk fashion at a cheap prices. The company operates under the name of Penneys , and being a subsidiary of Associated British Food Plc it was initially under the hands of Weston Family. Penneys than realigned into Great Britain in 1973 as PRIMARK and in May 2009 after opening its first store ever in DULBIN the company has now spread its wings around the globe . i. e. it has its franchise in countries like United Kingdom, Spain, Portugal, Netherland, Germany and now it is also expanding in Belgium. Considering, today's scenario Primark is operating 189 retail outlets around the globe which are segmented as 38 outlets in Ireland, 12 in Spain, 136 in UK, 1 in Netherlands, 1 in Portugal and 1 in Germany. Currently, the employees structure of Primark is huge enough attaining 27500 employees pulling their socks up for the smooth running of the company. PRIMARK is termed to be an absolute nuclear bomb in today's worlds the company is blown to be an epitome of the new fast fashion in retail generation which aims at providing the cat walk fashion at an affordable price to its customers. The company is confident enough about its merchandise and about its cheap . i. e. the affordable prices which proclaims the customers to be loyal to the brand i. e. it attracts and convinces the more amount of consumers and retains them.

PRIMARK has a drive to enforce style, price, quality all the three aspects which are rolled on in one shell. The company's is recognised as the clothing

retail brand covering a wide range of women's wear products, men's wear, children's wear and home products bearing cheap prices with a wide range offers and discounts schemes which proves beneficial to the consumers.

PRIMARK has not only restricted itself to the manufacturing of clothes but also deals with apparels and accessories available to all human sizes.

The company's mission states to give ordinary people a chance to buy the same stuff as rich people do. i. e. at a cheap and affordable price . The company's objective retrieves to always be the first choice of the consumers and make sure that the consumers do not opt for the competitors products. PRIMARK provides training to its employees on to the international standards and make them aware about customer relationship management. It also ensures that the company gains ISO standards through out the organisation.

Management is considered to be the stem in regulation of an organisation. The company aims to expand its market and set a benchmark for its competitors which can only be possible by having a strong management team handling affairs of the company. Therefore, while this paper illustrates the talk about re-nouned retail company PRIMARK, its agenda is a combination of product, price and the people working for the company. PRIMARK'S founder, chair person and managing director Arthur Ryan and buying and merchandising director Julian Kilmartin has shown their tremendous potential which reflected in the growth and profitability of the company and has led the company on to an expansion edge.

ENVIRONMENTAL ANALYSIS

Environmental analysis can be justified in an appropriate way by postering it as a PEST ANALYSIS. The analysis tests and examines the impact of certain factors such as political, economic, social and technical and their inter play in the business activities and the company can draw in changes to take advantage of the opportunities and to undertake measures from various threats while preparing the strategic plans for the business activities. The PEST analysis discusses the issues much in detail which is as follows:

Political factors:

Political factors reviews the impact of any political or legislative changes that affect the business. PRIMARK'S business policies are subject to government rules and regulations, the company should confront and make sure that its abound to the rules and regulations which are abide by the government in order to sustain the smooth running of its business.

Economic factors:

Economic entity influence the growth and the stability of any business operations. Similarly, if we talk about PRIMARK , the company has established itself to provide affordable products to its consumers and it has to set standards of price range that the company can also attain maximum profits even out of the discounted prices and offers which are set. For achieving the economic growth PRIMARK has to first analyse the price of the products of its competitors and then take an advantage of the opportunity in setting up a price range which is lower than that of its competitors like TOP

SHOP, MARK'S N SPENSOR, PRADA, FCUK etc. This will lead to the growth of the company and will rise the profit margin.

Social factors:

Conserving today's scenario the business organisations along with the aim of achieving profits they are also involved in inculcating awareness about social and cultural equality. It is very important for the business to understand the as to how the target consumers uses the social techniques today as well as considering the future aspects. PRIMARK has to set a good profile when it connects to the consumers . i. e. it should be able to understand the needs and requirements of the customers bearing the social aspect in mind and should deliver the products accordingly.

Technological factors:

Technology brings about an tremendous change an puts an favourable impact in working of the organisation and also effects the status and has an impact on the marketing programmes. Innovative technology arises new trend and leads to rapid growth in the organisation. PRIMARK should focus on which technology to use adapt a blogging software and select the right technology which will make the process easier.

MARKET ANALYSIS:

The market analysis of PRIMARK could be examined more profoundly by using Porter's Five Force model which is as follows:

(<http://notesdesk.com/wp-content/uploads/2009/04/porters-five-forces-model.jpg>)

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Threat of new entrants:

Entry of new segments in market is been the major reason in declining of independent retailers. PRIMARK is also facing competition from many new entrants in the market and the virtually specified and centralised behaviour is proving advantage to the chain stores over independent retailers.

Bargaining power of suppliers:

Bargaining power of suppliers plays a two way role for the company. Firstly, if the company fails to seek the product from the supplier , then the consumers would prefer the product of the competitors which would indeed prove a loss to the supplier as well as its product so the bargaining of suppliers should go hand in hand.

Bargaining power of customers:

Customers have a very little bargaining power at a retail outlet. As the products which are offered by PRIMARK are being already sold at a reasonable and a discounted price , so in this case the customer would lack the benefit to bargain for such products.

Threat of substitutes:

PRIMARK not only specials in clothing apart from that it also concentrates on the apparels, accessories and household products considering human sizes. Similarly, the products which are offered by PRIMARK are also offered by many of its competitors. Therefore , it proves to be a threat to such stores and retailers who distribute the products which are unique can only have an edge over its competitors.

SWOT ANALYSIS

While concluding the marketing plan, i would conclude the plan with swot analysis. We can use the swot analysis which would render a clear picture of the company in the market which would help to potray the current scenario of the company.

Swot analysis is the evaluation and examination of the data governing the business activities and the result evaluates the strengths, weakness, opportunities and the threats that the company faces.

Strengths :

Price can prove to be the major strength for the company. As PRIMARK deals with the products that are affordable it drives the attention of the consumers by selling the products at an discounted prices which attracts more number of customers.

An established brand name can also prove to be a strength for the company. As PRIMARK has a well recognised brand name around the globe it has created a strong goodwill in the market.

PRIMARK has opened up many franchise in almost every cities and town which is feasible for the customers to access any outlet in the vicinity.

The company also have diversified its product range and this is a major strength as consumer can get all kinds of variety under one roof.

According to me, PRIMARK has is kind of gift to the students and consumers who are trapped to shed out more amount of money without compromising on the style and fashion available.

The products of the competitors like the TOP SHOP, MISS SELFRIDGE, ACCESSORIES are sold at a tenth of the price.

Weakness :

Primark's customers services are very few while customers in crowd that's why you see long and long queues, which are very big problem for their customers, while their competitors properly manage their customers, and you never see long queue there.

Customers fail to prefer PRIMARK'S product as they feel the products are not durable and people fail to trust the quality of the products.

The atmosphere also proves to be a weakness for the company as the products are not managed tidily and there is a crowded and untidy atmosphere which would inturn ruin the shopping experience of the customer.

Opportunities:

The company has organized a new organization structure which is designed to serve its customers better, take advantage of market opportunities and reduce costs.

The company is planning to significantly increase its count of franchise and expanding its market.

Threats:

The competitors selling the same products act as a threat for the company. As PRIMARK has to make sure about its competitors pricing strategies, and to avail the products at a cheaper price than that of the competitors.

COMPETITORS ANALYSIS

In a highly competitive market PRIMARK is outstanding its performance and the reasons for the remarkable performance is the cost advantage over rival firms.

In past three years PRIMARK has got lot of rights which are been reserved. Its strongest competitors are TK MAX, MARKS N SPENSOR, GEORGE at ASDA .

Although all three are in the ' value' segment and therefore have similar market positioning, the other two have different strategies to that of Primark. TK Maxx sells heavily-discounted prestige brands and George at Asda has created its own private-label brand mostly at out-of town stores. Primark is a high street retailer which has a family of brands and focuses much more on buying, logistics and supply chain management rather than branding.

In order to sustain in the market Primark should follow cost leadership strategy i. e. it should not sell the products at a lower price rather lowest price than of the competitors so as to raise its profit margin.

CUSTOMER ANALYSIS

PRIMARK has many competitors in market such as MALTAN and BH'S which are struggling to sell the same kind of products which PRIMARK does.

Relatively, its not easy to sell cheap fashion but PRIMARK is doing quite well with it.

PRIMARK has targeted customers under the age group of 35 years which are fashion conscious. It offers products at a very competitive prices and with a reasonable quality this strategy used by PRIMARK is known as value for money strategy. It does not prefer to sell its products to every random segment, its target segment include the age group of 18-30. This concludes the customer analysis.

CONCLUSION

Overview about the analysis states that every organisation has its own external and internal problems which has to be taken care of. Therefore, this can be possible by conducting PEST and SWOT analysis. The impact of this analyses reflects the business scenario.